

12-1-2005

Board of Trustess Meeting Packet, December 1, 2005

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FRAMINGHAM STATE COLLEGE

**BOARD OF TRUSTEES MEETING
ATTACHMENT I**

January 26, 2006

TRUSTEE ACTION ITEM

ACTION ITEM:

**To accept the December 1, 2005 Minutes of
the Framingham State College Board of
Trustees.**

Framingham State College

Board of Trustees

December 1, 2005

Trustees Present: Heffernan, Chair; Gardner, Vice Chair; Boulanger, Hiatt; Hunt; Jordan; Richards; McGrath; Oliveira; Vrabel and President Heineman.

CHAIRMAN'S REPORT

Chair Heffernan called the meeting to order at 7:10 p.m.

APPROVAL OF THE MINUTES:

On motion duly made and seconded, it was

VOTED: Unanimously, to approve the September 28, 2005 minutes as presented.

Chair Heffernan stated that the College's Presidential Search Committee has selected J. Robert Scott Executive Search Consultants to assist in the task of finding the very best qualified person to lead Framingham State College into the future. Chair Heffernan and Vice Chair Gardner will arrange to meet with Board of Higher Education Chair Stephen Tocco as the search process continues.

Trustee Jordan read the following statement: "That in recognition of Helen Heineman's more than thirty-one years of service to Framingham State College as Teacher and Professor, Chair of the English Department, Vice President and Provost, Interim President, and with great appreciation for her many accomplishments as President of Framingham State College, especially with the Ecumenical and Cultural Center, where she was instrumental in having it placed on the National Register of Historical Places, the establishment of a College opera program, her performances of "*A Christmas Carol*," and numerous Arts & Humanities presentations, I move that the Ecumenical and Cultural Center be re-named the Heineman Ecumenical and Cultural Center."

On motion duly made and seconded, it was

VOTED: Unanimously to rename the Ecumenical and Cultural Center, the Heineman Ecumenical and Cultural Center.

PRESIDENT'S REPORT:

- President Heineman expressed her thanks and appreciation to the Board of Trustees for naming the Ecumenical and Cultural Center in her honor, stating that the building has always been a special place to her, not only for the religious, cultural and musical events, including opera recitals, but during the 1980s when she taught a course there. Dr. Heineman stated that it has been a privilege to serve Framingham State College, and expressed her gratitude to the Trustees, faculty, staff and students at the College.
- President's report on the State of the College:
 - The College is on a firm financial footing.
 - NEASC: Full accreditation.
 - \$10M commitment from Governor Romney for upgrading science facilities.
 - Proposal for the McAuliffe Challenger Center expansion.
 - Campus beautification and all-encompassing facilities upgrades.
 - Successful resolution of alumni situation.
 - Creation and enhancement of *Framingham State College Magazine*.
 - Framingham State College has lowest tuition and fees, room and board in the state system.
 - Technology/Smart Classrooms, and laptop computers for all students.
 - Community Partnerships: Soldiers Systems Center, Natick, Danforth Museum of Art, articulation agreements with community colleges, partners with START, a project of the Massachusetts Cultural Council and the Town of Framingham.
 - Reorganization of College's administrative structure.
- In light of recent media reports, Dean Conley, working with staff members in Student Affairs and Campus Police, conducted a thorough audit of the campus climate for the reporting of cases of sexual assault. The audit revealed a culture in full compliance with requirements of the law and conforming to the best practices of promoting wellness and safety among college students. This review did reveal areas in which communication and education can be further improved or refined, and the Student Affairs staff will work to do so in the coming semester and beyond.
- President's Report on the Senate Task Force on Public Higher Education.
 - The mission of the Task Force is to build quality and capacity in the public higher education system. Between 2001 and 2004 campuses lost approximately 32% of their state support.
 - To restore stability and sound planning so that the institutions get away from unpredictability in financial matters.
 - To acknowledge that the public colleges are the main fuel for the state economic engine and, therefore, to coordinate our educational initiatives.
 - To make public higher education more available while controlling increases in student costs. Included was a review of the state's existing financial aid programs.
 - To make sure that the institutions are accountable through a wide range of performance indicators, in short, to build a coordinated and effective public higher education system.

Although the Colleges are largely in support of the Task Force Report, there are some issues of concern. The Council of Presidents has discussed these and has also given testimony before the Committee regarding these concerns.

One major concern has to do with authority regarding increases in tuition and fees, because the new Bill in its present form gives the Board of Higher Education that authority through its so-called "circuit breaker." The Board of Higher Education would have the authority to approve increases in tuitions and fees in any year when:

- The increases exceed a 3-year average of the Massachusetts Consumer Price Index.
- When Legislative appropriation exceeds its appropriation for the prior year, even if only by \$1. At the present moment, the local Boards of Trustees has the authority to establish fees at the rates needed in order to maintain accessibility, to preserve the integrity of programs, to fulfill the College's mission, and to serve its students.

The other major concern has to do with reserves and rainy day funds, and concerns regarding the College's authority to maintain reserves while at the same time raising student fees. There are many other aspects of the proposed legislation that will be of concern to the Colleges, and we will continue to keep the Board informed.

- Vice President Dooher reported on the Financial Aid discussion at the Board of Higher Education meeting, held at Framingham State College, on November 17, 2005. Chancellor Gill presented a financial aid "concept" which was developed with the consensus support of the Financial Aid Task Force. The proposal aims to increase financial aid to the state's neediest students, and will be brought before an upcoming meeting of the Board of Higher Education for further discussion.

FY2007 BUDGET/STRATEGIC PLAN DISCUSSION

Vice Presidents Dooher, Hamel and Martin presented Budget highlights for FY2007, Attachment II, as follows:

- Cost items to be considered as part of development of the FY2007 budget include the need to address level service costs, prior commitments, and proposed new investment in support of strategic priorities.
- Funding sources included State Appropriations that support personnel costs; the College Operations fee for all other general operations costs; other Trust Fund fees including the College Center fee for specific programs and services; and, charges for Room and Board.
- FY2007 state appropriation support is anticipated to provide an additional \$1.05M (5.0% increase) that would be used to cover:
 - Level Service - Annualized incremental cost of collective bargaining agreements (Faculty: \$515K; Staff: \$245K)
 - Prior Commitments - 2 new faculty positions (\$95K) and 3 replacement staff positions (\$115K)
 - New Investment - Conversion of 12 Full Time Temporary faculty positions to tenure track positions (\$80K). There are additional out-year cost implications of these FTT positions conversions.

Funding from state appropriations reduces the need to raise fees to cover cost items

- FY2007 College Operations Funding. Requested incremental funding provided through a \$400 College Operations fee increase will provide support for:
 - Level Service – 3% inflation costs (utilities at 18%) for college general operations (\$360K).
 - Prior Commitments – Expanded retention initiatives including an additional \$100K in scholarship support and an additional \$50K in Academic Support Grant Program funding (\$150K).
 - New Investment – New Student Information System (\$690K) (\$4.5M amortized over 10 years). RFP responses are due early winter; costs estimates will be adjusted accordingly.
- FY2007 College Center Fee Funding. College Center Trust Fund cost commitments necessitating a \$100 fee increase include:
 - Prior Commitments – Prior year debt service escalation of \$180K associated with renovation of the first three floors of the College Center requires a fee increase of \$60 (in addition to last year's \$60 initial increase).
 - New Investment - \$120K in new annual debt service support for costs associated with the renovation of the 4th and 5th floors of this facility requiring a \$40 fee increase.

This will complete the renovation of this facility and provide a sufficient revenue stream for the coverage of all future debt service payments related to this project.
- FY2007 Residence Hall Funding. Room rent increase of \$325 is necessary to cover:
 - Level Service – Collective bargaining and inflationary costs (\$115K).
 - Prior Commitments – Existing debt service commitments escalation and funding for expansion of the housing financial aid program (\$265K).
 - New Investment – New debt service support associated with a proposed spring 2006 repair bond issuance for year 4 costs of the 5 year residence hall repair program (\$117K).
- FY2007 Board Funding. Board charges increase of \$170 is necessary to address:
 - Level Service – Inflationary costs (\$165K).
 - Prior Commitments – Debt service commitments associated with the College Center renovations (\$90K)
- FY2006 Cost Items – Aggregate Incremental Funding Summary. State Appropriation funding addresses over a million dollars of anticipated incremental costs associated with collective bargaining agreements and restoration of full-time positions; this funding mitigates the need for student fee increases. College Operations support provides funding for non-personnel inflationary expenses, retention initiatives, and a new administrative management system. College Center fee support provides debt service funding related to renovation of the College center. Room rent support provides funding for personnel salary adjustments, inflation expenses, and support for the residence halls' five-year repair program as well as expansion of housing financial aid. Board charges provide support for food service inflationary costs and debt service commitments relating to dining expansion. Under this scenario, commuter students would

experience tuition and fee increase of \$500 while resident students would experience tuition and fee, room and board increase of \$995.

Following discussion,

On motion duly made and seconded, it was

VOTED: Unanimously, that Framingham State College Board of Trustees authorizes the Massachusetts State College Building Authority to issue revenue bonds in the amount of \$1.7M on behalf of Framingham State College in order to finance the final phase of the College Center renovation program.

and

VOTED: Unanimously, that Framingham State College Board of Trustees authorizes the Massachusetts State College Building Authority to issue revenue bonds in the amount of \$2.6M in order to finance summer 2006 costs associated with year four renovation costs of the Five-Year Residence Hall Repair Program.

Following further discussion,

On motion duly made and seconded, it was

VOTED: Unanimously, that Framingham State College Board of Trustees approves the designation of up to \$5M in General Purpose Trust Funds unrestricted fund balance as designated endowment for accounting and reporting purposes effective January 1, 2006.

- Strategic Plan Alignment – Enrollments: FY2005 enrollments were below strategic plan (2004) projections. Undergraduate student enrollments have essentially remained level (originally projected at an annual growth rate of 1.2%) while graduate enrollments have fallen (originally projected to increase at an annual rate of 2.5%). Dean Castleman reported that graduate enrollment decline has predominantly been a result of a change in Department of Education policy regarding the ability of the College's Curriculum and Instructional Technology program to qualify for professional licensure (due to a new emphasis on subject matter degree requirement at this licensure stage). New graduate programs and initiatives are being pursued. Projected enrollment going forward – after a projected small decline in AY2006 – are based on undergraduate and graduate annual enrollment increases of 1.2% and 2.5% respectively.

Discussion of Strategic Plan Alignment regarding staffing, capital projects, and student charges was deferred.

DEVELOPMENT & ALUMNI RELATIONS

- **Cash Management & Investment Policy.** Funds available for investment reside predominantly in three of the College's Trust Fund accounts: Continuing Education Trust Fund, College Operations Trust Fund, and General Purpose Trust Fund. The College requests Board of Trustees approval to revise investment opportunities as per Appendix A, Attachment VI.

Following discussion,

On motion duly made and seconded, it was

VOTED: Unanimously, that Framingham State College Board of Trustees approves the Framingham State College Cash Management and Investment Policy revised Appendix dated December 1, 2005.

PERSONNEL REPORT

Following discussion,

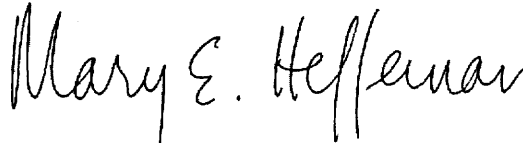
On motion duly made and seconded, it was

VOTED: Unanimously, to approve all Personnel Actions: Appointments; Promotions; Retirement; Resignation.

OTHER BUSINESS

There being no further business, the meeting adjourned at 9:40 p.m.

Respectfully submitted,



Mary Beth Heffernan
Chair
Framingham State College Board of Trustees



Dr. Helen Heineman
Executive Secretary, Board of Trustees

FRAMINGHAM STATE COLLEGE

**BOARD OF TRUSTEES MEETING
ATTACHMENT II**

December 1, 2005

TRUSTEE DISCUSSION ITEM

***DISCUSSION ITEM:* FY2007 Budget Strategic Plan Discussion**

FRAMINGHAM STATE COLLEGE

Preliminary

FY2007 Budget Discussion

Level Service, Prior Commitments,
and New Investment Support
~ Alignment with Strategic Priorities

November 15, 2005

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Context – State Support

Current state support for Framingham State College is among the lowest of the state colleges.

State Funding Context

State Appropriation Support per FTE Student

at FY2006 State Support and Fall 2005 FTE Enrollment

Bridgewater	\$4,628
Fitchburg	\$6,445
Framingham	\$4,939
Mass. Liberal Arts	\$8,350
Salem	\$5,031
Westfield	\$4,463
Worcester	<u>\$5,313</u>
State College Average	\$5,705
Framingham Rank	3 rd Lowest
FSC \$ Difference from Avg.	-\$766
FSC % Difference from Avg.	-13%

Recent State Appropriation Support:		FY2007 Budget Assumption:	\$21.5 Million (5.0% increase)
FY2001:	\$22.2 Million		
FY2002:	\$22.8 Million		
FY2003:	\$21.2 Million		
FY2004:	\$18.7 Million		
FY2005:	\$19.6 Million		
FY2006:	\$20.5 Million		

Context - Cost Comparisons

Comprehensive costs for tuition and fees, room and board at Framingham State College remain the lowest in the state college segment for the AY2005-2006 year.

State Colleges Student Cost Comparison: AY 2005-2006 Tuition and Fees, Room and Board

	Actual			
	<u>FY06 Resident Tuition and Fees</u>	<u>FY06 Room</u>	<u>FY06 Board</u>	<u>FY06 Total</u>
Bridgewater	\$5,506	\$4,071	\$2,566	\$12,143
Fitchburg	\$5,002	\$3,917	\$2,400	\$11,319
Framingham	\$4,999	\$4,039	\$2,160	\$11,198
Mass. Liberal Arts	\$5,616	\$4,080	\$2,617	\$12,313
Salem	\$5,594	\$4,973	\$2,510	\$13,077
Westfield	\$5,658	\$4,095	\$2,100	\$11,853
Worcester	<u>\$5,080</u>	<u>\$5,164</u>	<u>\$2,400</u>	<u>\$12,644</u>
Sister Colleges Average	\$5,409	\$4,383	\$2,432	\$12,225
Framingham Rank - Sister Colleges				Lowest
FSC \$ Difference from Avg.	-\$410	-\$344	-\$272	-\$1,027
FSC % Difference from Avg.	-7.6%	-7.8%	-11.2%	-8.4%

Context – Available Funding

The low level of state funding per student coupled with low fees that are retained by the college results in available funding for general college operations significantly below the segment average.

Combined Support for College Operations

State Appropriation Support plus Retained Fees per FTE Student

	<u>FY06 State Funding per FTE</u>	<u>FY06 Retained Fees</u>	<u>Available Funding per FTE Student</u>
Bridgewater	\$4,628	\$4,586	\$9,212
Fitchburg	\$6,445	\$4,032	\$10,477
Framingham	\$4,939	\$4,029	\$8,968
Mass. Liberal Arts	\$8,350	\$4,596	\$12,946
Salem	\$5,031	\$4,624	\$9,655
Westfield	\$4,463	\$4,688	\$9,151
Worcester	<u>\$5,313</u>	<u>\$4,110</u>	<u>\$9,423</u>
Sister Colleges Average	\$5,705	\$4,439	\$10,144
Framingham Rank - Sister Colleges			Lowest
FSC \$ Difference from Avg.	-\$766	-\$410	-\$1,176
FSC % Difference from Avg.	-13.4%	-9.2%	-11.6%
Additional annual support if "Available Funding" was at segment average			\$4,890,000

FY2007 Cost Items

Cost items to be considered as part of development of the FY2007 budget include the need to address level service costs, prior commitments, and proposed new investment in support of strategic priorities.

Funding sources include State Appropriations that support personnel costs; the College Operations fee for all other general operations costs; other Trust Fund fees including the College Center fee for specific programs and services; and, charges for Room and Board.

Funding Sources/Cost Items			
	<u>Level Service</u>	<u>Prior Commitments</u>	<u>New Investment</u>
State Appropriations	Collective Bargaining Costs	Faculty and Staff Positions Full Time Replacements	FTT/Tenure Track Conversions
College Operations	Inflationary Costs	Retention Initiatives	Administrative Mgt. System
College Center Fee		Clg. Ctr. Debt Service	Clg. Ctr. (4 th and 5 th floor) Renovation Program
Room Rent	Collective Bargaining Costs/ Inflationary Costs	Debt Service Commitments/ Housing Financial Aid	Summer 4 of 5-Year Renovation Program
Board	Inflationary Costs	Debt Service Commitments	

FY2007 Cost Items – State Appropriation Funding

FY2007 state appropriation support is anticipated to provide an additional \$1.05M (5.0% increase) that would be used to cover:

- (a) annualized incremental cost of collective bargaining agreements {Faculty: \$515K; Staff: \$245K}
- (b) 2 new faculty positions {\$95K} and 3 replacement staff positions {\$115K}
- (c) conversion of 12 Full Time Temporary faculty positions to tenure track positions (\$80K)
- there are additional out-year costs implications of these FTT positions conversions.

Note: Funding from state appropriations reduces the need to raise fees to cover cost items.

Cost Items - Anticipated State Appropriation Funding Support

	<u>Level Service</u>	<u>Prior Commitments</u>	<u>New Investment</u>
State Appropriations	Collective Bargaining Costs Step Increases and Adjustments	Faculty and Staff Positions Full-Time Replacements	FTT/Tenure Track Conversions
College Operations			
College Center Fee			
Room Rent			
Board			
	(a)	(b)	(c)
Incremental Costs	\$760,000	\$210,000	\$80,000
Per FTE Student Cost	\$250	\$70	\$25
Total Fee Increase	\$0		

(state appropriation subsidy mitigates need for student fee support)

Approx. 3,000 Students

FY2007 Cost Items – College Operations Funding

Requested incremental funding provided through a \$400 College Operations fee increase will provide support for:

- (a) 3% inflation costs (utilities at 18%) for college general operations {\$360K}
 - (b) expanded retention initiatives including an additional \$100K in scholarship support and an additional \$50K in Academic Support Grant Program funding {\$190K}
 - (c) new Student Information System {\$690K} (\$4.5M amortized over 10 years)
- ~ RFP responses are due early Winter; costs estimates will be adjusted accordingly.*

Cost Items - Anticipated College Operations Fee Funding Support

	<u>Level Service</u>	<u>Prior Commitments</u>	<u>New Investment</u>
State Appropriations			
College Operations	Inflationary Costs	Retention Initiatives	Admin. Mgt. System
College Center Fee			
Room Rent			
Board			
	(a)	(b)	(c)
Incremental Costs	\$360,000	\$150,000	\$690,000
Per FTE Student Cost	\$120	\$50	\$230
Approx. 3,000 Students			
Total Net Fee Increase	\$400		

FY2007 Cost Items – College Center Fee Funding

College Center Trust Fund cost commitments necessitating a \$100 fee increase include:

(a) prior year debt service escalation of \$180K associated with renovation of the first three floors of the College Center requires a fee increase of \$60 (in addition to last year's \$60 initial increase)

(b) \$120K in new annual debt service support for costs associated with the renovation of the 4th and 5th floors of this facility requiring a \$40 fee increase.

This will complete the renovation of this facility and provide a sufficient revenue stream for the coverage of all future debt service payments related to this project.

Cost Items - Anticipated College Center Fee Funding Support

	<u>Level Service</u>	<u>Prior Commitments</u>	<u>New Investment</u>
State Appropriations			
College Operations			
College Center Fee		Debt Service Commitment	4 th /5 th Floor Renovation Program
Room Rent			
Board		(a)	(b)
Incremental Costs		\$180,000	\$120,000
Per FTE Student Cost		\$60	\$40
Total Fee Increase	\$100	Approx. 3,000 Students	

FY2007 Cost Items – Residence Hall Funding

Room rent increase of \$325 is necessary to cover:

- (a) collective bargaining and inflationary costs {\$115K}
- (b) existing debt service commitments escalation and funding for expansion of the housing financial aid program {\$265K}
- (c) new debt service support associated with a proposed Spring 2006 repair bond issuance for year 4 costs of the 5-year residence hall repair program {\$117K}.

Cost Items - Anticipated Residence Hall Rent Funding Support			
	<u>Level Service</u>	<u>Prior Commitments</u>	<u>New Investment</u>
State Appropriations			
College Operations			
College Center Fee			
Room Rent	Collective Bargaining Costs Inflationary Costs	Debt Service Commitment Housing Financial Aid	Renovation Program
Board	(a)	(b)	(c)
Incremental Costs	\$115,000	\$265,000	\$117,000
Per FTE Student Cost	\$75	\$175	\$75
Total Fee Increase	\$325	1,500+ Students	

FY2007 Cost Items – Board Funding

Board charges increase of \$170 is necessary to address:

(a) inflationary costs {\$165K}

(b) debt service commitments associated with the College Center renovations {\$90K}.

Cost Items - Anticipated Board Charges Funding Support

	<u>Level Service</u>	<u>Prior Commitments</u>	<u>New Investment</u>
State Appropriations			
College Operations			
College Center Fee			
Room Rent			
Board	Inflationary Costs	Debt Service Commitment	
	(a)	(b)	
Incremental Costs	\$165,000	\$90,000	
Per FTE Student Cost	\$110	\$60	
Total Fee Increase	\$170		1,500+ Students

FY2006 Cost Items – Aggregate Incremental Funding

Summary

State Appropriation funding addresses over a million dollars of anticipated incremental costs associated with collective bargaining agreements and restoration of full-time positions; this funding mitigates the need for student charges increases. College Operations support provides funding for non-personnel inflationary expenses, retention initiatives, and a new administrative management system. College Center fee support provides debt service funding related to renovation of the College Center. Room rent support provides funding for personnel salary adjustments, inflation expenses, and support for the residence halls' five-year repair program as well as expansion of housing financial aid. Board charges provide support for food service inflationary costs and debt service commitments relating to dining expansion. Under this scenario, commuter students would experience tuition and fee increase of \$500 while resident students would experience tuition and fee, room and board increase of \$995.

Cost Items - Aggregate Support				Incremental Cost	per FTE Student Cost
	Level Service	Prior Commitments	New Investment		
State Appropriations	\$760,000	\$210,000	\$80,000	\$1,050,000	\$0
College Operations	\$360,000	\$150,000	\$690,000	\$1,200,000	\$400
College Center Fee		\$180,000	\$120,000	\$300,000	\$100
Room Rent	\$115,000	\$265,000	\$117,000	\$497,000	\$325
Board	\$165,000	\$90,000		\$255,000	\$170
Incremental Costs	\$1,400,000	\$895,000	\$1,007,000	\$3,302,000	
Per FTE Student Cost	\$305	\$345	\$345		\$995

(accounting for state appropriation subsidy)

Projected Cost Comparisons – Day Students

At the level of recommended fee increases, comprehensive costs for tuition and fees and room and board at Framingham State College are projected to remain among the lowest in the state college segment for the AY2006-2007 year.

State Colleges Student Cost Comparison: AY 2006-2007

Projected Tuition and Fees, Room and Board

Sister Colleges Costs inflated 5% (estimate) for tuition and fees, room and board.

	Projected			
	FY07 Resident Tuition and Fees	FY07 Room	FY07 Board	FY07 Projected Total
Bridgewater	\$5,781	\$4,275	\$2,694	\$12,750
Fitchburg	\$5,302	\$4,113	\$2,520	\$11,935
Framingham	\$5,499	\$4,364	\$2,330	\$12,193
Mass. Liberal Arts	\$5,897	\$4,284	\$2,748	\$12,929
Salem	\$5,874	\$5,222	\$2,636	\$13,732
Westfield	\$5,941	\$4,300	\$2,205	\$12,446
Worcester	\$5,334	\$5,422	\$2,520	\$13,276
Sister Colleges Average	\$5,688	\$4,603	\$2,554	\$12,845
Framingham Rank - Sister Colleges				^{2nd} Lowest
FSC \$ Difference from Avg.	-\$189	-\$239	-\$224	-\$652
FSC % Difference from Avg.	-3.3%	-5.2%	-8.8%	-5.1%

FY2007-FY2010 Budget Proforma

The College's Strategic Plan calls for additional investment in full-time faculty and staff, an aggressive capital program, new degree programs and student services, and systems enhancements all in support of enhancing the student experience and the teaching and learning process. Estimated expenditures are based on 3% annual inflation assumptions (utilities at higher annual rates) and additional investment in the noted strategic priorities. Implementation of this plan - accounting for associated projected costs - is contingent upon sufficient revenues. The FY2007-FY2010 budget proforma (summary) identifies anticipated estimated costs and projected revenues. The most significant revenue assumptions are:

	(projected increases)	FY2007	FY2008	FY2009	FY2010
State Maintenance Appropriation Funding:		5.0%	4.5%	4.0%	3.5%
College Operations Student Fee Revenue:		9.9%	7.9%	5.9%	5.9%

Projected General Operations Expenditures (State Maintenance and College Operations)	Current FY06 Budget	Pro Forma FY07 Budget	Pro Forma FY08 Budget	Pro Forma FY09 Budget	Pro Forma FY10 Budget
AA Reg. Employee Comp	\$21,364,254	\$22,425,306	\$23,428,914	\$24,362,273	\$25,212,996
BB Reg. Employee Rel Exp	\$125,000	\$128,750	\$132,613	\$136,591	\$140,689
CC Spec Employee	\$1,650,000	\$1,699,500	\$1,750,485	\$1,803,000	\$1,857,090
DD Pension & Ins	\$526,000	\$541,780	\$558,033	\$574,774	\$592,018
EE Administrative Exp	\$1,463,000	\$1,506,890	\$1,552,097	\$1,598,660	\$1,646,619
FF Facility Operations	\$424,000	\$436,720	\$449,822	\$463,316	\$477,216
GG Energy	\$2,140,000	\$2,525,200	\$2,664,086	\$2,823,831	\$2,993,367
HH Consultant Svc	\$1,050,000	\$1,081,500	\$1,113,945	\$1,147,363	\$1,181,784
JJ Operational Services	\$474,000	\$488,220	\$502,867	\$517,953	\$533,491
KK Equipment	\$1,490,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
LL Equipment Lease	\$480,000	\$494,400	\$509,232	\$524,509	\$540,244
MM Purchased Svc	\$75,000	\$77,250	\$79,568	\$81,955	\$84,413
NN Construction	\$1,200,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
PP Grants and RR Assistance	\$400,000	\$500,000	\$600,000	\$600,000	\$600,000
Subtotal	\$32,861,254	\$34,105,516	\$35,541,660	\$36,834,324	\$38,059,927
SS/TT Special Payments	\$1,309,000	\$727,000	\$727,000	\$727,000	\$727,000
Transfers Out	\$1,302,000	\$2,200,000	\$2,716,000	\$3,565,000	\$3,965,000
Total	\$35,472,254	\$37,032,516	\$38,984,660	\$41,126,324	\$42,751,927
Total Projected Expenditures	\$35,472,254	\$37,032,516	\$38,984,660	\$41,126,324	\$42,751,927

Projected Revenue	FY06 Current	FY07 Projection	FY08 Projection	FY09 Projection	FY10 Projection
Projected State Appropriation 5.0%; 4.5%; 4.0%; 3.5% projected annual growth FY07-FY10	\$21,106,254	\$22,156,566	\$23,149,112	\$24,071,076	\$24,910,064
Projected College Operations Revenue Revenue (9.9%; 7.9%; 5.9%; 5.9% projected fee growth FY07-FY10)	\$9,800,000	\$10,780,000	\$11,642,400	\$12,340,944	\$13,081,401
Net Student Fees (Day)	\$1,827,000	\$1,881,810	\$1,938,264	\$1,996,412	\$2,056,305
Student Fees (Evening)				\$500,000	\$500,000
Parking Fee	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Interest	\$140,000	\$140,000	\$140,000	\$140,000	\$140,000
Miscellaneous	\$462,673	\$0	\$0	\$0	\$0
HEFA rollover	\$12,284,574	\$12,866,810	\$13,785,664	\$15,042,356	\$15,842,705
Subtotal	\$12,284,574	\$12,866,810	\$13,785,664	\$15,042,356	\$15,842,705
Transfers	\$999,038	\$1,029,009	\$1,059,879	\$1,091,676	\$1,124,428
DGCE pers. > College Oper.	\$735,454	\$735,454	\$735,454	\$735,454	\$735,454
Residence Halls Reimbursements	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
State Acct (Adm App Rev)	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000
Various Funds Chargeback	\$2,089,492	\$2,119,463	\$2,150,333	\$2,182,130	\$2,214,880
Subtotal	\$14,384,086	\$14,986,273	\$15,935,998	\$17,224,486	\$18,057,585
Cig Operations Revenues and Transfers	\$14,384,086	\$14,986,273	\$15,935,998	\$17,224,486	\$18,057,585
Total General Operations Revenues	\$35,490,320	\$37,142,839	\$39,085,109	\$41,295,562	\$42,967,649
Difference Revenues and Expenditures	\$18,066	\$110,323	\$100,449	\$169,238	\$215,722

FY2007-FY2010 Budget Proforma Debt and Transfers

Initiatives are proceeding consistent with the College's Strategic Plan regarding investment in personnel, programs, and student services. The most significant decisions facing the College include planned capital program investment; specifically, those projects funded through college operations (bond issuances supporting the final two years of the five year residence hall repair bonds are backed by scheduled rent increases sufficient to support this auxiliary enterprise activity). The College's Strategic Plan (articulating a "Vision through Fall 2008") outlines bond financed investment in renovation of the College Center and in a new Administrative Management System (other planned and budgeted initiatives are covered through projected general operations revenues). Specifically, in order to complete the renovation of the College Center, it is anticipated that the College will borrow \$1.7M during FY2006 with annualized debt service budgeted beginning FY2007. Costs associated with investment in a new administrative management system would be covered through TELP financing with debt service obligations beginning FY2007.

Action required by the Board of Trustees to implement this plan include approval of the following:

- > \$2.6M bond issuance for "summer four" Residence Hall Repair Program projects (rent backed financing)
- > \$1.7M bond issuance for the final phase of the College Center renovation project (College Center fee)
- > \$4.5M (est.) TELP borrowing to finance a new Student Information System (College Operations fee).

The College's viability ratio is anticipated to remain above 1.4 through FY2008 even upon assumption of this additional debt. This plan assumes College reserves and general operations support (during FY2007 and FY2008) for the College's contribution to the anticipated renovation of Crocker Hall. The out-years of the budget proforma anticipate assumption of additional debt related to construction of a parking deck; a portion of debt service associated with this facility would be covered through institution of a new commuter parking fee. The parking deck project would significantly increase debt burden requiring considered deliberation.

		Annual Debt Svc (estimates)				
	Amount	FY06 Current	FY07 Projection	FY08 Projection	FY09 Projection	FY10 Projection
<u>Debt Issuance</u>						
Athletic Center						
1998 HEFA Issuance	\$6.4M	\$365,430	\$376,642	\$388,527	\$401,126	\$414,480
Athletic Field and Parking Lots						
2004 MSCBA Issuance	\$2.4M	\$141,168	\$140,368	\$139,168	\$137,968	\$141,768
College Center						
2005 MSCBA Issuance	\$7.8M	\$324,788	\$594,788	\$595,338	\$595,538	\$591,838
2006 Anticipated MSCBA Issuance	\$1.7M	\$34,000	\$120,000	\$120,000	\$120,000	\$120,000
TELP Borrowing						
2006/07 Anticipated TELP ERP Loan	\$4.5M		\$690,000	\$690,000	\$690,000	\$690,000
Maynard Parking Deck						
2008/09 Anticipated MSCBA Issuance	\$16.0M				\$1,400,000	\$1,400,000
Total Debt (current)		\$17.9M	\$21.4M	\$20.4M	\$34.8M	\$33.1M
Aggregate Annual Debt Service (P&I)		\$865,386	\$1,921,798	\$1,833,033	\$3,344,632	\$3,358,086
<u>One Time Capital Transfers</u>						
2006 DCAM Dwight Contribution		\$600,000				
2007 DCAM Crocker Contribution			\$650,000			
2008 DCAM Crocker Contribution				\$650,000		
Aggregate One Time Transfers		\$600,000	\$650,000	\$650,000		
Aggregate Payments		\$1,465,386	\$2,571,798	\$2,583,033	\$3,344,632	\$3,358,086

Strategic Plan Alignment - Enrollments

FY2005 enrollments were below strategic plan (2004) projections. Undergraduate student enrollments have essentially remained level (originally projected at an annual growth rate of 1.2%) while graduate enrollments have fallen (originally projected to increase at an annual rate of 2.5%). Graduate enrollment decline has predominantly been a result of a change in DOE policy regarding the ability of the college's Curriculum and Instructional Technology program to qualify for professional licensure (due to a new emphasis on subject matter degree requirement at this licensure stage). New graduate programs and initiatives are being pursued. Projected enrollment going forward – after a projected small decline in AY2006 – are based on undergraduate and graduate *annual* enrollment increases of 1.2% and 2.5% respectively.

Red indicates actual results updates (of 2004 projections); Green indicates updated projections.

Framingham State College

Current and Projected Annual Enrollments - Full Time Equivalent Students

	FY04 <u>Actual</u>	FY05 <u>Projected</u>	FY06 <u>Projected</u>	FY07 <u>Projected</u>	FY08 <u>Projected</u>
Undergraduate	3555	3599	3644	3690	3736
Graduate	<u>1666</u>	<u>1708</u>	<u>1750</u>	<u>1794</u>	<u>1839</u>
Total	5221	5307	5395	5484	5575

Projected Changes					
Undergraduate					
# Difference from FY04		44	89	135	181
% Difference from FY04		1.3%	2.5%	3.8%	5.1%
Graduate					
# Difference from FY04		42	84	128	173
% Difference from FY04		2.5%	5.1%	7.7%	10.4%
Total					
# Difference from FY04		86	174	263	354
% Difference from FY04		1.6%	3.3%	5.0%	6.8%

Framingham State College

Current and Projected Annual Enrollments - Full Time Equivalent Students (Revised Fall 2005)

	FY04 <u>Actual</u>	FY05 <u>Actual</u>	FY06 <u>Projected</u>	FY07 <u>Projected</u>	FY08 <u>Projected</u>	FY09 <u>Projected</u>	FY2010 <u>Projected</u>
Undergraduate	3555	3540	3518	3562	3606	3652	3697
Graduate	<u>1666</u>	<u>1508</u>	<u>1482</u>	<u>1519</u>	<u>1557</u>	<u>1596</u>	<u>1637</u>
Total	5221	5048	5000	5081	5164	5248	5334

Projected Changes							
Undergraduate							
# Difference from FY04		-15	-37	7	51	97	142
% Difference from FY04		-0.4%	-1.0%	0.2%	1.4%	2.7%	4.0%
Graduate							
# Difference from FY04		-158	-184	-147	-109	-70	-29
% Difference from FY04		-9.5%	-11.0%	-8.8%	-6.5%	-4.2%	-1.7%
Total							
# Difference from FY04		-173	-221	-140	-57	27	113
% Difference from FY04		-3.3%	-4.2%	-2.7%	-1.1%	0.5%	2.2%

Strategic Plan Alignment - Staffing

Faculty staffing is slightly behind projected levels due to unfilled searches and in response to actual enrollment. Going forward, a new initiative to convert full-time temporary positions to tenure track positions will accelerate tenure line increases to levels in line with original Strategic Plan projections. Staff position replacements have proceeded in line with strategic plan projections. Consistent with Strategic Plan objectives, faculty and staff positions will increase commensurate with enrollment growth (out-year projections reflect this philosophy).

Red indicates actual results updates (of 2004 projections); Green indicates updated projections.

Staffing Levels	(Pre-Recession)		Fall 2002	Fall 2003	Projected	Projected	Projected	Projected	Projected
	Fall 2000	Fall 2001			Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008
Faculty									
Tenure Track Faculty - Day Program	142	145	143	140	145	148	151	154	157
Full Time Temp Faculty - Day Program	21	17	16	13	17	17	17	17	17
Visiting Lecturers (FTE equiv.) - Day Program	26	31	37	37	33	33	33	33	33
Subtotal	189	193	196	190	195	198	201	204	207
Staff	254	253	248	231	240	244	248	252	256

Staffing Levels (Revised Fall 2005)	(Pre-Recession)		Fall 2002	Fall 2003	Actual	Actual	Projected	Projected	Projected	Projected	Projected
	Fall 2000	Fall 2001			Fall 2004	Fall 2005	Fall 2006	Fall 2007	Fall 2008	Fall 2009	Fall 2010
Faculty											
Tenure Track Faculty - Day Program	142	145	143	140	141	138	152	154	156	158	160
Full Time Temp Faculty - Day Program	21	17	16	13	19	25	13	13	13	13	13
Visiting Lecturers (FTE equiv.) - Day Program	26	31	37	37	35	34	33	33	33	33	33
Subtotal	189	193	196	190	195	197	198	200	202	204	206
Computed Student/Faculty Ratio	15:1	16:1	15:1	16:1	16:1	15:1	15:1	15:1	15:1	15:1	15:1
Staff	254	253	248	231	239	245	249	253	256	259	262

Strategic Plan Alignment – Capital Projects

The capital program remains on track. The College Center project has been adjusted to note program scope addition of renovation of the 4th and 5th floors. The Dwight Hall project has been updated to account for additional utility upgrade work to be funded by the Commonwealth. A Hemenway Hall project has been added to account for college repairs of the roof and anticipated state funding for additional building envelope and HVAC repairs. The purchase of a property and building on Adams Road has been added to the capital plan in FY2006 as the opportunity became available (this purchase was funded through principal rollover of an existing HEFA-issued bond). Campus general repair projects have been adjusted consistent with development of a multi-year budget proforma plan. And a new initiative, Administrative Management System Project, has been added to account for the anticipated capitalized costs (over ten years) of this significant systems upgrade. Out-year (FY2009 and FY2010) projects have been added including the potential additional floor on O'Connor Hall to increase residence hall capacity and the construction of a parking deck.

Red indicates actual results updates (of 2004 projections); Green indicates updated projections.

Capital Programs Pro Forma

	FY2004		FY2005		FY2006		FY2007		FY2008		Total
	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	
Residence Hall Renovation Program	\$5,485,000	\$243,000	\$8,023,000	\$455,000	\$7,596,681	\$813,000	\$1,950,000	\$225,000	\$2,610,000	\$225,000	\$27,735,681
College Center Renovation and Expansion		\$716,380	\$3,997,115	\$486,505	\$2,200,000						\$7,400,000
Dwight Hall Renovation	\$215,000		\$800,000		\$3,435,000	\$800,000	\$2,750,000				\$8,100,000
Crocker Hall Renovation/Reuse				\$168,000	\$482,000		\$1,070,000	\$790,000	\$1,815,000	\$300,000	\$4,625,000
Bement House Renovation/Reuse				\$42,000	\$393,000	\$140,000					\$575,000
Campus Core Projects and General Repairs		\$1,500,000		\$1,500,000		\$1,500,000		\$1,500,000		\$1,500,000	\$7,500,000
Totals	\$5,710,000	\$2,459,380	\$12,820,115	\$2,651,505	\$14,108,681	\$3,453,000	\$5,770,000	\$2,515,000	\$4,425,000	\$2,025,000	\$55,935,681
MSCBA/DCAM Funds	\$55,935,681										
College Funds	\$42,831,796										
	\$13,103,885										

Capital Programs Pro Forma (Revised Fall 2006)

	FY2004		FY2005		FY2006		FY2007		FY2008		FY2009		FY2010		Total
	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	MSCBA/DCAM Funds	College Funds	
Residence Hall Renovation Program	\$5,485,000	\$243,000	\$8,023,000	\$455,000	\$7,896,681	\$813,000	\$2,450,000	\$185,000	\$2,610,000	\$185,000	\$150,000		\$150,000		\$28,455,681
College Center Renovation and Expansion		\$716,380	\$4,984,115	\$486,505	\$2,713,000	\$800,000			\$2,600,000						\$8,980,000
Dwight Hall Renovation	\$215,000		\$245,000	\$800,000	\$625,000	\$600,000	\$4,175,000		\$2,315,000	\$700,000	\$200,000				\$9,060,000
Crocker Hall Renovation/Reuse				\$168,000	\$482,000		\$570,000	\$700,000	\$2,315,000	\$700,000	\$200,000				\$5,135,000
Bement House Renovation/Reuse						\$20,000		\$120,000							\$140,000
Adams Road Property Purchase/Renovations						\$565,000		\$50,000							\$615,000
Campus Core Projects and General Repairs		\$1,500,000		\$1,065,000		\$1,200,000	\$1,100,000			\$1,100,000	\$1,100,000		\$1,100,000		\$8,165,000
Hemenway Hall Repairs/Renovations				\$190,000		\$295,000	\$750,000		\$250,000				\$2,000,000	\$1,100,000	\$3,485,000
Admin. Mgt. System Project (Capitalized)				\$39,000		\$390,000		\$690,000		\$690,000	\$690,000		\$690,000		\$3,189,000
Residence Hall Expansion Program: O'Connor Hall											\$3,000,000		\$3,000,000		\$6,000,000
Parking Deck											\$10,000,000	\$1,000,000	\$4,000,000	\$1,000,000	\$16,000,000
Totals	\$5,710,000	\$2,459,380	\$13,252,115	\$3,003,505	\$11,716,681	\$3,783,000	\$7,945,000	\$2,845,000	\$7,775,000	\$2,675,000	\$13,350,000	\$2,790,000	\$9,150,000	\$2,790,000	\$89,224,681
MSCBA/DCAM Funds	\$89,224,681														
College Funds	\$68,898,796														
	\$20,325,885														
									Total through FY2008:		\$61,144,681				

Strategic Plan Alignment – Student Charges

Student charges increased in FY2006 above strategic plan (2004) projections to support expedited implementation of strategic plan priorities; specifically, additional retention initiatives investment. Further, residence hall rent increases were front-loaded to support early action of five-year repair program projects; current rent projections anticipate new repair bond debt service costs to be reflected in rent charges increases through FY2009 (FY2010 projected rent increases anticipates costs associated with a floor addition to O'Conner Hall to increase occupancy). Board charges supporting dining enhancement were spread over FY2006-FY2007. Revised College Center fee increases support the renovation of the 4th and 5th floor as an adjustment to project scope. College Operations projected fees have been revised to include annual capitalized costs of a new administrative management system. Finally, a new Parking Fee for commuter students is noted in the out-year projections for costs associated with the potential development of a parking deck. *Note: These student charges projections are reliant upon state maintenance appropriation assumptions and retained BOT authority to set student fees.*

Red indicates actual results updates (of 2004 projections); Green indicates updated projections.

Actual/Projected Fee Increases	Actual FY2004	Projected FY2005	Projected FY2006	Projected FY2007	Projected FY2008
<i>~ Preliminary Proposal</i>					
Residence Halls		\$366	\$390	\$390	\$390
Dining		\$104	\$250	\$110	\$110
Parking (resident students)		\$50	\$0	\$0	\$0
College Center		\$0	\$50	\$0	\$0
College Operations		\$330	\$180	\$290	\$290
Orientation		\$0	(\$80)	\$0	\$0
		\$850	\$790	\$790	\$790
Comprehensive Student Costs	\$9,417	\$10,181	\$10,971	\$11,761	\$12,551
Sister Colleges Average	\$10,427	\$11,119	\$11,671	\$12,271	\$12,924

Projected Fee Increases (Revised Fall 2005)	Actual FY2004	Actual FY2005	Actual FY2006	Projected FY2007	Projected FY2008	Projected FY2009	Projected FY2010
<i>~ Preliminary Proposal</i>							
Residence Halls		\$410	\$430	\$325	\$325	\$325	\$325
Dining		\$104	\$200	\$170	\$110	\$115	\$115
Parking (resident students)		\$50	\$0	\$0	\$0	\$0	\$0
College Center		\$0	\$60	\$100	\$0	\$0	\$0
College Operations		\$330	\$365	\$400	\$430	\$350	\$350
Orientation		\$0	(\$80)	\$0	\$0	\$0	\$0
<i>Parking (commuter students)</i>		\$0	\$0	\$0	\$0	\$50	\$50
		\$894	\$975	\$995	\$865	\$790	\$790
FSC Comprehensive Student Costs	\$9,417	\$10,223	\$11,198	\$12,193	\$13,058	\$13,848	\$14,638
Sister Colleges Average	\$10,427	\$11,465	\$12,225	\$12,845	\$13,487	\$14,162	\$14,870

Strategic Plan Alignment – Student Charges

The College's Strategic Plan speaks to moving away from a focus on low-cost, to that of a "high-value", provider of public higher education in the Commonwealth. Noted investment in strategic priorities will enhance the value of a Framingham State College education. At the same time, the College does remain cognizant of the burden placed on students of increasing costs and student charges. Therefore, the College has strived to increase financial aid while maintaining a competitive cost position in the market. Strategic Plan (2004) conservative projections anticipated the College's having the lowest comprehensive student charges in the segment for FY2006 (currently over one thousand dollars below the segment average). Even with projected student charges adjustments necessary to meet increased expenditures associated with accelerated strategic priority investments over the next few years, student charges are projected to continue to remain among the lowest in the segment.

Red indicates actual results updates (of 2004 projections); Green indicates updated projections.

Student Costs Pro Forma

State Colleges Student Cost Comparison: FY 2004-2008

Tuition and Fees, Room and Board

	FY04 Total	Projected FY05	Projected FY06	Projected FY07	Projected FY08
Bridgewater	\$10,519	11,444	12,016	12,617	13,248
Fitchburg	\$9,737	10,471	11,099	11,765	12,471
Framingham	\$9,417	10,181	10,971	11,761	12,551
Mass. Liberal Arts	\$11,400	11,780	12,251	12,864	13,507
Salem	\$10,927	11,683	12,150	12,636	13,268
Westfield	\$9,831	10,447	11,074	11,738	12,443
Worcester	\$10,149	10,889	11,433	12,005	12,605
Sister Colleges Average	\$10,427	\$11,119	\$11,671	\$12,271	\$12,924
Framingham Rank - Sister Colleges	Lowest	Lowest	Lowest	2nd Lowest	3rd Lowest
FSC \$ Difference from Avg.	-\$1,010	-\$938	-\$700	-\$510	-\$373
FSC % Difference from Avg.	-9.7%	-8.4%	-6.0%	-4.2%	-2.9%

State Colleges Student Cost Comparison: FY 2004-2010 (Revised Fall 2005)

Tuition and Fees, Room and Board

	FY04 Total	Actual FY05	Actual FY06	Projected FY07	Projected FY08	Projected FY09	Projected FY2010
Bridgewater	\$10,519	11,560	12,143	12,750	13,388	14,057	14,760
Fitchburg	\$9,737	10,506	11,319	11,935	12,532	13,158	13,816
Framingham	\$9,417	10,223	11,198	12,193	13,058	13,848	14,638
Mass. Liberal Arts	\$11,400	11,993	12,313	12,929	13,575	14,254	14,967
Salem	\$10,927	12,556	13,077	13,732	14,419	15,140	15,897
Westfield	\$9,831	10,398	11,853	12,446	13,068	13,722	14,408
Worcester	\$10,149	11,778	12,644	13,276	13,940	14,637	15,369
Sister Colleges Average	\$10,427	\$11,465	\$12,225	\$12,845	\$13,487	\$14,162	\$14,870
Framingham Rank - Sister Colleges	Lowest	Lowest	Lowest	2nd Lowest	2nd Lowest	3rd Lowest	3rd Lowest
FSC \$ Difference from Avg.	-\$1,010	-\$1,242	-\$1,027	-\$652	-\$429	-\$314	-\$232
FSC % Difference from Avg.	-9.7%	-10.8%	-8.4%	-5.1%	-3.2%	-2.2%	-1.6%

Strategic Plan Alignment

"A Vision for Framingham State College" Progress against Strategic Plan Objectives

Modifications/Additions from Cabinet Retreat
Accounted for in Budget Proformas: Fiscal Year(s) Noted

6/22/2005
6/24/2005
10/10/2005

Resources Initiative

Objective 1: Collective Bargaining Contract Funding					
	Action Step	Progress	Status	Budget	
	1.1	Lobby for funding of APA/AFSCME retroactive pay	First portion of retroactive pay funded and paid in March 2005; seeking supplemental budget support for remaining retroactive commitment.	1/3 Complete	FY2006 Retroactive Payments
	1.2	Lobby for resolution and funding of MSCA faculty contract	Contract ratified; awaiting Governor approval and Legislative funding.	Ongoing	FY2006 Implementation FY2007 Assumed Costs
	1.3	Expedite new APA/AFSCME contracts discussions	APA contract ratified; AFSCME negotiations underway.	Ongoing	FY2006 Cost Item Request
Objective 2: Operational (Formula) Funding Equity					
	Action Step	Progress	Status	Budget	
2005 Modified Action Step	2.1	Advocate for reconvening BHE Financing Task Force	Senate Task Force on Public Higher Education subsumed BHE Committee; report released recommending formula funding for public higher education.	Complete	N/A
	2.2	Lobby Administration and Legislature for implementation of formula-based funding	BHE, Governor, House and Senate all based FY2006 budgets on formula funding methodology.	Complete	FY2007-FY2010 Revenues (cons. assumptions)
	2.3	Develop Comprehensive Financing Plan including targeted state investment opportunities	Preliminary long-term capital, IT and operational budgets identified; fee schedules proposed; potential funding gap revenue (additional state appropriations) use identified.	Ongoing	FY2007-FY2010 Budget Proformas
Objective 3: Capital Support					
	Action Step	Progress	Status	Budget	
2005 Added Action Step	3.1	Advocate for College projects inclusion in BHE Five Year Capital Spending (state G.O. bond-supported) Plan	Dwight Hall project included through construction financing; Crocker Hall included for study; seeking Hemenway Hall project support ("house doctor" approved for study).	Dwight project included; add. project advocacy ongoing.	FY2006-FY2010 Capital Plans
	3.2	Seek MSCBA financing of College Center project and final phases of Residence Hall Renovation program	College Center financing completed and Summer 3 Residence Hall program financed through March 2005 bond issuance; anticipated 2006 issuance for remainder of Residence Hall repair program.	On track; final bond issuance anticipated Spring 2006	FY2006-FY2007 Capital Plans
	3.3	Manage capital construction programs	\$35M in capital projects are currently ongoing in study, design or construction.	On track; Ongoing	FY2006-FY2010 Capital Plans
	3.4	Codify long-term facilities development conceptual plan			FY2006-FY2010 Capital Plans
Objective 4: Institutional Advancement					
	Action Step	Progress	Status	Budget	
	4.1	Further enhance Development and Alumni Relations Office capacity and programs	Alumni on-line community implemented; reunion weekend enhancements; outsourcing portion of Annual Fund drive.	On track; Ongoing	FY2006-FY2010 Staffing and Budget Plans
	4.2	Explore alternative investment opportunities	"Statement of Investment Objectives and Guidelines for Core Investment Funds" approved by BOT; Investment Committee identified; Fund Manager selection process ongoing.	Ongoing	FY2006-FY2010 Revenue Assumptions

Education Initiative

Objective 5: Retention and Graduation Initiatives				
	<u>Action Step</u>	<u>Progress</u>	<u>Status</u>	
	5.1 Convene Retention and Graduation Task Forces	Retention Committee met; 8 subcommittees established to address student retention and six-year graduation rate.	On track; ongoing	FY2006-FY2010 Revenue Assumptions
	5.2 Implement Task Forces recommendations; develop comprehensive implementation plan with BHE funding request detail	First-year writing requirement; freshman class website on BlackBoard; advising for first year students on probation; increase in weekend student activities; other departmental initiatives; data collection and analysis.	New initiatives implemented; ongoing	FY2007 Budget Request Submittal
	5.3 Develop comprehensive enrollment management strategy	Draft proposal submitted to President and Vice-Presidents Summer 2005	Ongoing	FY2006-FY2010 Revenue Assumptions
	5.4 Expand college-funded financial aid programs	FY2006 College Trust Fund Budgets include additional \$285K in financial aid support. (Note: \$500K NIL allocation continued for FY2006)	Complete	FY2006-FY2010 Operational Budget Plans

Objective 6: New Programs				
	<u>Action Step</u>	<u>Progress</u>	<u>Status</u>	
	6.1 Seek BHE approval of new Business and Information Technology program	Program proposal submitted to BHE for consideration.	Approval Pending; BIT approval complete	FY2006 Budget Adjustment
2005 Modified Action Step	6.2 Explore possibility of new Environmental Science program and/or other new degree programs; seek MBA designation for current MA-BA program; seek MA-CIT professional licensure	Environmental Science Program proposal development initiated.	Ongoing	FY2007 Budget Adjustment
	6.3 Expand on-line program, course, and training offerings	Number of on-line course offerings increased; public safety training programs offered.	On track; Ongoing	FY2006-FY2010 Budget Plans
2005 Modified Action Step	6.4 Consider Day and DGCE program structure alternatives; consider satellite site approach	DGCE: Weekend Degree Program planned for Fall 2005; Center for Lifelong Learning established.	Ongoing	FY2006-FY2010 Budget Plans

Objective 7: Academic Centers				
	<u>Action Step</u>	<u>Progress</u>	<u>Status</u>	
2005 Modified Action Step	7.1 Articulate Professional Centers role and association with the College; consider MERC policy impact role; implement centers reference (naming) conventions	Global Ed programs integrated with DGCE; McAuliffe Center has major role in College's STEM initiative; McAuliffe Center and Stalker Institute offered FSC credit for graduate professional development for teachers; MERC website identified as MERC at Framingham State	Complete	N/A
	7.2 Leverage Centers activities including integrated faculty development opportunities, expanded academic program linkages, and enhanced funding support	MERC cited as Best Practice by BHE; McAuliffe Center participating in College's STEM and Improving Teaching Quality Grants; program collaboration between DGCE and Global Education and Stalker Institute.	Ongoing	N/A

Objective 8 Classroom Experience					
2005 Modified Action Step	Action Step		Progress	Status	
	8.1	Expand Academic Support Grant program; adjust allocations in support of mission priorities	FY2006 College Trust Fund Budgets include additional \$40K for Academic Support Grant Program; Aggregate academic support allocations have increased over \$270K since FY2003.	Funding complete; Allocation review ongoing	FY2006-FY2010 Budget Plans
	8.2	Fully restore faculty ERIP position vacancies and explore recruitment rate incentive	FY2006 College Budget includes funding for 7 additional faculty resulting in faculty positions exceeding historical highs; "O" form salary adjustments employed as necessary.	Complete	FY2006-FY2010 Staffing and Budget Plans
	8.3	Increase faculty positions commensurate with enrollment	FY2005 actual increase and FY2006 planned increase in full-time faculty positions exceed enrollment growth.	On track; Ongoing	FY2006-FY2010 Staffing and Budget Plans
	8.4	Implement learning management system upgrades	Blackboard Content Management System introduced.	On track; Ongoing	FY2006-FY2010 Budget Plans
	8.5	Increase number of technology-enabled classrooms	Plan for enhancement of 14 "presentation classrooms" during Summer 2005.	Ongoing	FY2006-FY2010 Capital Plans
	8.6	Seek independent program accreditation	CADE Accreditation (ADA) self-study submitted and approved; preparation for ABET accreditation underway.	Ongoing	N/A
	8.7	Expand student learning outcomes assessment	E-Portfolio project introduced.	Ongoing	FY2006-FY2010 Budget Plans

Objective 9 College Environment					
		Action Step	Progress	Status	
2005 Modified Action Step	9.1	Support "Campus Core" development including comprehensive signage program and expanded handicap and visitor parking	Advocacy for State Street renovation project; College Center patio project; Dwight Hall project exterior design considerations; Route 9 off-ramp exposure; Towers "FSC" signage.	Specified enhancements completed; Ongoing	FY2006-FY2010 Capital Plans
	9.2	Explore on-line registration options and implement solution	Pilot DGCE on-line registration system in development; options to be considered as part of AMS study.	On-line registration to be part of AMS project.	FY2006-FY2010 IT and Budget Plans
	9.3	Determine long-term Administrative Management System strategy	AMS study completed in June; RFP development in process	On track; Ongoing	FY2006-FY2010 IT and Budget Plans
	9.4	Fully restore staff ERIP position vacancies	FY2006 College Budget includes funding for 10 additional staff bringing staff positions within 4 of pre-recession/ERIP program levels.	Ongoing	FY2006-FY2010 Staffing and Budget Plans
	9.5	Implement Security Enhancement Programs	"One Card" access expanded to Dwight, Hemenway and May; security camera installation expansion underway.	On track; Ongoing	FY2006-FY2010 Capital and Budget Plans
	9.6	Implement College Center renovation program (including expansion of dining capacity and options)	Substantially complete by September 2005; final completion November 2005.	On track; Ongoing	FY2006-FY2007 Capital and Budget Plans
	9.7	Implement Residence Hall Renovation Program	\$9.0M in construction scheduled Summer 2005; scheduled completion of \$28M program by Fall 2007.	On track; Ongoing	FY2006-FY2008 Capital and Budget Plans
	9.8	Implement Academic Buildings Renovation Program	Dwight Hall project in design; Crooker Hall project in study; Hemenway Hall under "house doctor" study.	Substantial progress; Ongoing	FY2006-FY2010 Capital and Budget Plans

Development Initiative

Objective 10: Student Development		Action Step	Progress	Status	
2005 Modified Action Step	10.1	Leverage Academic and Student Support Services consolidation opportunities	Department of Academic Support and Student Affairs established; departmental mission articulated; department-wide assessment plan implemented; integrated approach to student development and support adopted.	Ongoing	N/A
	10.2	Establish comprehensive Wellness Center	Health Services relocated; Relocation of Counseling and Social Issues and Wellness operations by Fall 2005 upon completion of Foster Hall renovation project.	On track; Ongoing	FY2006-FY2010 Staffing and Budget Plans
	10.3	Expand/create academic "clusters"/residential "villages"; enhance Honors Program; enhance residence hall experience satisfaction; focus on first-year student initiatives	First-year student housing assignments based on academic major to begin in Summer 2005; Honors Program housing initiative successful and entering second year.	Ongoing	N/A
	10.4	Pilot student "e-portfolio" project	Roll-out of pilot program set for June 2005. Project plan for AY 2005-2006 developed.	On track; Ongoing	FY2006-FY2010 Budget Plans FY2007-FY2010 Staffing and Budget Plans
2005 Added Action Step	10.5	Enhance student advising			N/A
2005 Added Action Step	10.6	Expand and coordinate student internship opportunities			N/A

Objective 11: Faculty and Staff Development		Action Step	Progress	Status	
2005 Added Action Step	11.1	Develop faculty and staff orientation programs	Revised new faculty orientation program; new online Faculty Resource Guide; customer service workshop for over 100 staff.	Completed	N/A
	11.2	Expand teaching circles	Four Critical Thinking Circles established in Fall 2004 (28 faculty, 2 librarians); three in Spring 2005 (21 faculty, 1 librarian).	Ongoing	N/A
	11.3	Expand Center for Academic Technology training programs	11 new workshops added; ElementK licenses offered to faculty/staff interested in online, self-paced Office XP training (42 participating); 10 faculty in 2004 Summer Institute; 9 faculty in e-Portfolio Workshop (June 2005)	Ongoing	N/A
	11.4	Create financial incentives for grant writing and faculty/staff development			FY2007-FY2010 Budget Plans

Objective 12: FSC and Local Community Development		Action Step	Progress	Status	
2005 Added Action Step	12.1	Develop "MyFSC" portal	Faculty/Staff and pilot Student rollout Spring 2005; full rollout Fall 2005	On track; Ongoing	FY2006-FY2007 IT and Budget Plans
	12.2	Implement "one card" security/services initiative	Access expanded to Dwight, Hemenway and May Halla; exploration of transaction system enhancements.	On track; Ongoing	FY2006-FY2010 Capital and Budget Plans
	12.3	Create faculty/staff club	Consideration of expanded use of renovated faculty/staff dining facility.	Ongoing	N/A
	12.4	Promote lyceums	Academic departments and faculty sponsored workshops such as Bioinformatics Colloquia Series and The Fourth Dimension & Salvador	Ongoing	N/A
	12.5	Resolve independent alumni association matter	Contract negotiations completed	Complete	FY2006-FY2007 Budget Plans
	12.6	Expand local programming offerings and community outreach efforts	Expanded Lifelong Learning and Adult Care Facilities program offerings.	Complete	N/A
	12.7	Enhance faculty, staff and student diversity			N/A

Objective 13: College Positioning		Action Step	Progress	Status	
2005 Modified Action Step	13.1	Promote Framingham State College as well as State College Segment; include branding and marketing review as part of planned strategic enrollment management exercise (Action Step 5.3)	Promotional report "Massachusetts State Colleges: The Competitive Advantage" release; radio spots coinciding with graduation season and state budget process; press coverage and editorials relating to Senate Task Force on Public Higher Education report; collaborative development of "MassAdvantage" laptop program theme; McAuliffe Center participants "pennant"	Substantial progress; Ongoing	N/A
	13.2	Explore "State Teaching University" status	Potential future task force discussed at the state level.	Ongoing	N/A

FRAMINGHAM STATE COLLEGE

**BOARD OF TRUSTEES MEETING
ATTACHMENT III**

December 1, 2005

TRUSTEE ACTION ITEM

ACTION ITEM:

Bond Financing Approval

Framingham State College
Board of Trustees
December 1, 2005

Framingham State College Board of Trustees authorizes the Massachusetts State College Building Authority to issue revenue bonds in the amount of \$1.7 million on behalf of Framingham State College in order to finance the final phase of the College Center renovation program.

Framingham State College
Board of Trustees
December 1, 2005

Framingham State College Board of Trustees authorizes the Massachusetts State College Building Authority to issue revenue bonds in the amount of \$2.6 million in order to finance summer 2006 costs associated with year four renovation costs of the Five-Year Residence Hall Repair Program.

FRAMINGHAM STATE COLLEGE

**BOARD OF TRUSTEES MEETING
ATTACHMENT IV**

December 1, 2005

TRUSTEE ACTION ITEM

ACTION ITEM:

Quasi-Endowment Designation

Framingham State College
Board of Trustees
December 1, 2005

Framingham State College Board of Trustees approves the designation of up to \$5.0 million in General Purpose Trust Fund unrestricted fund balance as quasi-endowment for accounting and reporting purposes effective January 1, 2006.

FRAMINGHAM STATE COLLEGE

**BOARD OF TRUSTEES MEETING
ATTACHMENT V**

December 1, 2005

TRUSTEE DISCUSSION ITEM

DISCUSSION ITEM: **Independent Audit FY2005.**

Dr. Hamel will provide
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FRAMINGHAM STATE COLLEGE

**BOARD OF TRUSTEES MEETING
ATTACHMENT VI**

December 1, 2005

TRUSTEE ACTION ITEM

ACTION ITEM:

Cash Management & Investment Policy

Framingham State College
Board of Trustees
December 1, 2005

Framingham State College Board of Trustees approves the Framingham State College Cash Management and Investment Policy revised Appendix dated December 1, 2005.

FRAMINGHAM STATE COLLEGE
Cash Management and Investment Policy
Adopted: December 2, 2004; Appendix Updated: December 1, 2005

AUTHORITY

Massachusetts General Laws Chapter 15A provides that the Framingham State College Board of Trustees (BOT) has the authority to establish and manage trust funds. A concurrent responsibility of the management of the funds is the thoughtful investment of trust monies. This Cash Management and Investment Policy is intended to guide the Trustees and the College Administration in the investment of designated cash balances held in College trust accounts.

OBJECTIVE

To establish and maintain an investment portfolio which is designed to provide for the College's cash flow requirements and principal growth of certain funds balances. The basic objectives of the Cash Management and Investment Policy are:

1. Safety of principal
2. Liquidity for operating needs
3. Return on Investment
4. Diversification of risk

POLICY

The Framingham State College Cash Management and Investment Policy applies to locally held funds as identified in Appendix A. The policy specifically excludes federal or other specifically restricted allocations. All funds are accounted for in the College's financial reports.

The cash and investment balances of the College are classified as: 1) Bank Balances, 2) Operating/Liquidity Fund, 3) Contingency Requirements Fund, and 4) Core Investment Fund.

Bank Balances are funds used to meet immediate cash flow needs for operations and are often required as part of minimum balance requirements for bank services provided. The purpose of the Operating/Liquidity Fund is to provide sufficient cash to meet the ongoing financial obligations of the College in a timely manner including the ability to meet expenses that may result from most unanticipated events. The Contingency Requirements Fund aims to produce returns greater than Operating/Liquidity Fund balances while allowing for reasonable conversion to meet extraordinary expenses that may arise. The Core Investment Fund is a dedicated fund to meet specific strategic investment goals of the College.

INVESTMENT INSTRUMENTS AND MATURITIES

1. Bank balance funds are held predominantly in interest-bearing checking accounts. Where account activity and balances warrant, fund balances may be deposited in money market accounts.
2. The maturities of the Operating/Liquidity Fund shall generally not exceed one (1) year; provided however, upon review of the BOT Investment Committee, the College's Chief Financial Officer may invest in maturities beyond one year if such investment is determined, after review of ongoing financial obligations and cash flow requirements, to be consistent with the objectives of the portfolio and in the best interest of the College. Operating/Liquidity Fund balances will be deposited with the State Treasurer in the Massachusetts Municipal Depository Trust account or similar accounts.
3. The maturities of the Contingency Requirements Fund may exceed one (1) year, provide however, that such maturities consider potential cash flow and liquidity requirements arising from unanticipated events. Contingency Requirements Funds balances will be deposited in the Common Fund Short-Term and Intermediate-Term accounts or similar vehicles upon approval of the BOT Investment Committee.
4. Core Investment Fund will be actively managed by a professional fund manager as selected by the BOT Investment Committee. Investment parameters will be governed by statute and this Cash Management and Investment Policy.
5. The portfolio will maintain liquidity sufficient to meet operating needs.
6. All investments will be held in U.S. dollars.
7. Eligible Investments for Bank Balances Funds, Operating/Liquidity Fund, Contingency Requirements Fund and Core Investment Fund:
 - A. Bank Balances may be deposited in:
 - a. Interest Bearing Checking Accounts
 - b. Money Markets

- B. Operating/Liquidity Fund for investment in the portfolio shall be limited to:
- a. Obligations issued by the U.S. Treasury
 - b. Obligations issued by U.S. Federal Agencies
 - c. Obligations of banks for:
 - 1) bankers acceptances
 - 2) certificates of deposit
 - 3) time deposits
 - d. Repurchase agreements secured by U.S. Treasury and U.S. Federal Agencies
 - e. Municipal securities
 - f. Commercial paper
 - g. Vehicles approved by the State Treasurer for MMDT holdings
 - h. Eligible Investments allowable for Bank Balances Funds
- C. Contingency Requirements Fund and Core Investments Fund for investment in the portfolio may include:
- a. Corporate mortgage and asset-backed securities
 - b. Corporate equities
 - c. Mutual Funds
 - d. Eligible Investments allowable for Operating/Liquidity Funds

All holdings will be of high credit quality. Further, Massachusetts General Laws contain directives regarding standards of conduct and authority that apply, under general principles of law, to trustees in their management of trusts. These broader standards obligate a trustee "to conduct himself faithfully and to exercise a sound discretion, and to be enlightened by observance as to how men of prudence, discretion, and intelligence manage their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the safety of the capital." A trustee, in other words, has a duty to make the trust property productive and to use due care in maintaining a proper trust portfolio.

The general allocation of Bank Balances, Operating/Liquidity Fund, Contingency Requirements Fund, and Core Investments Fund is specified in Appendix A.

DELEGATION OF AUTHORITY

Management responsibility for the investment program is hereby delegated to the Investment Committee of the Board of Trustees which shall operate the investment program consistent with this approved investment policy. The Investment Committee shall consist of at least three trustees that shall be appointed by the Chairman of the Board. The College's Chief Financial Officer and the College's Director of Financial Services will be a non-voting members of the Investment Committee. The Investment Committee shall elect a Chair. A majority vote of the Investment Committee is required to execute business in accordance with this approved investment policy.

The Chief Financial Officer is authorized to invest, or instruct the Director of Financial Services to invest, the College's funds within the guidelines established by this policy or as directed by the Investment Committee.

ETHICS & CONFLICT OF INTEREST

Trustees, officers and employees of Framingham State College involved in the investment process shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

REPORTING

The Chief Financial Officer shall periodically submit to the Investment Committee an investment report which summarizes investment activity and detail. Said report shall be in a format as prescribed by the Investment Committee. The Investment Committee shall meet at least annually. The Chairman of the Investment Committee may call additional meetings as necessary.

DIVERSIFICATION

It is the policy of Framingham State College to diversify its investments between growth and income instruments that are reflective of market returns and conditions. The Investment Committee may establish strategies and guidelines for the percentages of the total portfolio that may be invested in securities other than repurchase agreements, treasury bills or insured/collateralized certificates of deposit.

SAFEKEEPING AND CUSTODY

Framingham State College investments shall be secured through third-party custody and safe keeping procedures. Bearer instruments shall be held only through third-party institutions.

Appendix A: Allocation of Bank Balances Funds, Operating/Liquidity Funds, Contingency Funds, and Core Investments Funds

Fiscal Year 2006

Bank Accounts:

The average cash balance of College bank accounts during fiscal year 2005 was approximately \$1.5-\$1.9 million. Funds will be held in Bank Balance accounts sufficient to meet the cash flow needs and minimum balance requirements of the College as determined by the College's Chief Fiscal Officer and Director of Financial Services. Funds in these accounts will be deposited and managed to 1) ensure availability of funds and 2) maximize interest income.

Investment Accounts:

Funds available for investment reside predominantly in three of the College's Trust Fund accounts: Continuing Education Trust Fund, College Operations Trust Fund, and General Purpose Trust Fund. The current approximate investment balance and investment vehicles employed for each of these accounts is as follows:

Current Balances and Investments		
	<u>MMDT</u>	<u>Common Fund</u>
Continuing Education Trust Fund	\$1.8 Million	\$0.5 Million
College Operations Trust Fund	\$2.6 Million	
General Purpose Trust Fund	<u>\$6.5 Million</u>	<u>\$5.2 Million</u>
Total	\$10.9 Million	\$5.7 Million

The Board of Trustees Investment Committee is authorized to invest College Trust Funds during FY2006 within the following allocation parameters consistent with the College's Cash Management and Investment Policy:

FY2006 Balances and Investments Allocation Targets			
	<u>Operating/ Liquidity Fund</u> (MMDT)	<u>Contingency Fund</u> (Common Fund)	<u>Core Investment Fund</u> (Boston Trust)
Continuing Education Trust Fund	\$1.3 Million	\$0.5 Million	\$0.5 Million
College Operations Trust Fund	\$2.6 Million		
General Purpose Trust Fund	<u>\$1.5 Million</u>	<u>\$5.2 Million</u>	<u>\$5.0 Million</u>
Total	\$5.4 Million	\$5.7 Million	\$5.5 Million

December 1, 2005

FRAMINGHAM STATE COLLEGE

BOARD OF TRUSTEES MEETING
ATTACHMENT VII

December 1, 2005

TRUSTEE ACTION ITEM

MOTION: To approve all Personnel Actions

PERSONNEL ACTIONS

APPOINTMENTS

Bridges, LaDonna	Staff Assistant/Director Academic Support Programs	Effective: 11/14/2005 Annual Salary Rate: \$46,800.00
Diorio, Andrew	Staff Assistant/ Technical Support Information Technology Services	Effective: 12/04/2005 Annual Salary Rate: \$36,000.12
Trapanick, Benjamin	Director, First year Student Programs Academic & Student Support Services	Effective: 10/17/2005 Annual Salary Rate: \$52,000.00

PROMOTIONS

Canella, Elizabeth	Interim Dean Enrollment Management	Effective: 12/20/2005
Dooher, Philip	Interim President	Effective: 12/20/2005

RETIREMENT

Heineman, Helen	President	Effective: 01/31/2006
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RESIGNATION

Burke, Kelly	Assistant Professor Art & Music	Effective: 05/31/2006
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